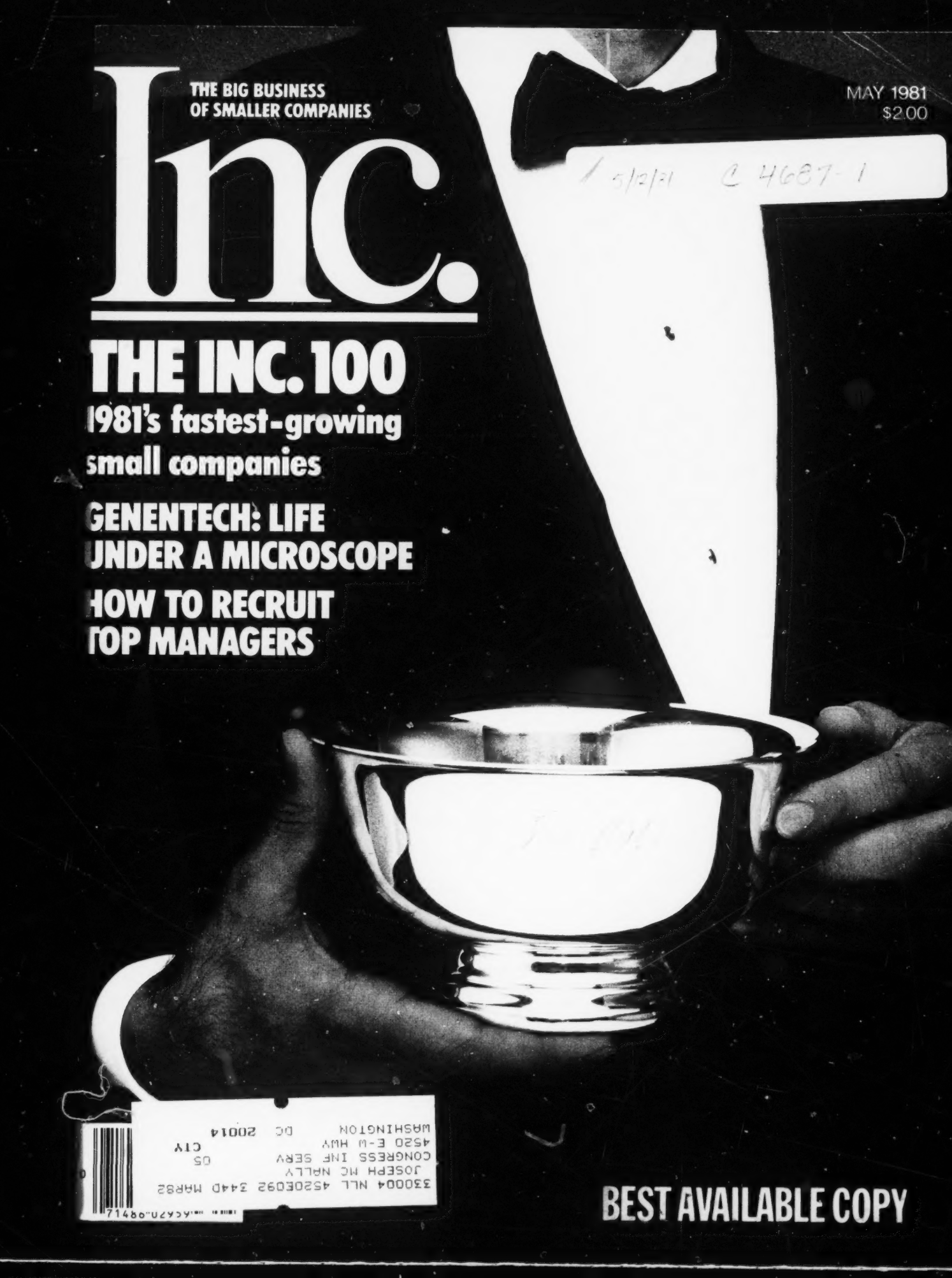

THE BIG BUSINESS
OF SMALLER COMPANIES
Inc.
MAY 1981
$2.00
THE INC. 100
1981's fastest-growing
small companies
GENENTECH: LIFE
UNDER A MICROSCOPE
HOW TO RECRUIT
TOP MANAGERS
BEST AVAILABLE COPY

MAY 1981

CONTENTS

VOL.3,NO.5

DEPARTMENTS

From the editor 7

Letters 10

Speaking out 16
Numbers that lie: We need to reinterpret what is meant by business "failure."

Off the record 21
Why bureaucrats do nothing: It pays off.

Economic issues 22
Evening the odds: How the government's neutrality threatens small business.

People & innovations 26

News & trends 31

Washington update 46

Time out 155
Ordering wine in a restaurant doesn't have to be an ordeal.

Investing in growth companies 161
Capital gains: tracking the INC. 100.

Taxes 164
Inventory accounting: a cheer and a caveat.

Personal financial planning 166
If accident or illness strikes a key person, a buy-out disability plan can help your company survive.

Marketing 168
Cable TV goes to work to help small companies sell.

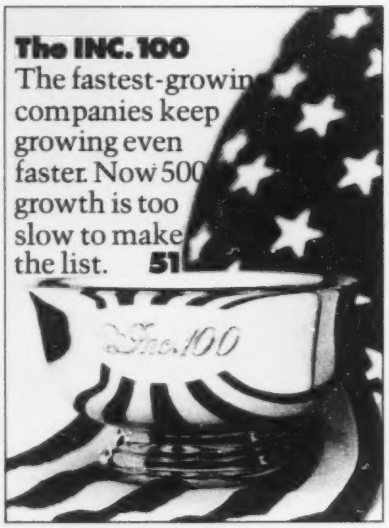
Ideas you can use 172

Books 181
Tax tips to help keep your money for yourself; Understanding your computer.

The buck stops here 184

Cover photo
Steve Schmitt

COPYRIGHT © 1981 BY INC. PUBLISHING COMPANY
All rights reserved. INC. is published monthly by Inc. Publishing Company. ISSN: 0162-8968. Editorial and executive offices at 38 Commercial Wharf, Boston, MA 02110. Telephone (617) 227-4700. Bernard A. Goldhirsh, President; John W. Carlson, Vice-President; Norman Raben, Vice-President. ☐ **SUBSCRIPTION:** One-year subscription rate for U.S. and possessions, $18.00; Canada, $30.00. All other countries, one-year subscription rate $45.00, cash orders only, payable in U.S. currency. Forms 3579 and all subscription correspondence should be addressed to INC. Magazine, P.O. Box 2538, Boulder, CO 80322. Please allow at least six weeks for change of address. Include your old address as well as new, and enclose if possible an address label from a recent issue. ☐ Controlled circulation postage paid at Boston, Mass., and at additional mailing offices. Material in this publication may not be stored or reproduced in any form without permission. Requests for permission should be directed to Rights and Permissions Editor, INC., 38 Commercial Wharf, Boston, MA 02110.



The INC. 100
The fastest-growing companies keep growing even faster. Now 500 growth is too slow to make the list. **51**

Genentech: life under a microscope
Wall Street and the media study Bob Swanson's every move. **62**

Worth a thousand words
Last year was a very good year for editorial cartoonists concerned about small business. **70**

How to end the inventory poker game
Jack Hoyt decided to write new rules for the game. Now he and his customers are piling up profits, not inventories. **76**

An acquisition that went like clockwork
Rick Leavitt wanted to buy a company that was healthy, ready to grow, and reasonably priced. **80**

They all said Bill Savoy couldn't let go
It took 30 years for this owner to get serious about delegating authority. **89**

The bottom line on day care
Helping your employees take care of their children can offer surprising financial benefits. **94**

Morton loves Hazel
Morton Edell's affair with the Hazel Bishop cosmetics line began in 1960. Now they're on their second honeymoon. **105**

Kelvin Smythe's mission impossible
Oil Mop's dynamic leader charged ahead into each new problem. One day he found he'd gone too far, too fast. **112**

Hail Britannia, small business rules
Sir Charles Villiers wants to revive the Industrial Revolution. He's come to the United States to learn what strategies will work. **120**

Making R&D pay
Valleylab's Robert Anderson has learned how to run a profitable R&D program with a minimum of surprises. **128**

Can a small company attract top managers?
Yes, says an expert recruiter. But don't try to fit a square peg in a round hole. **137**

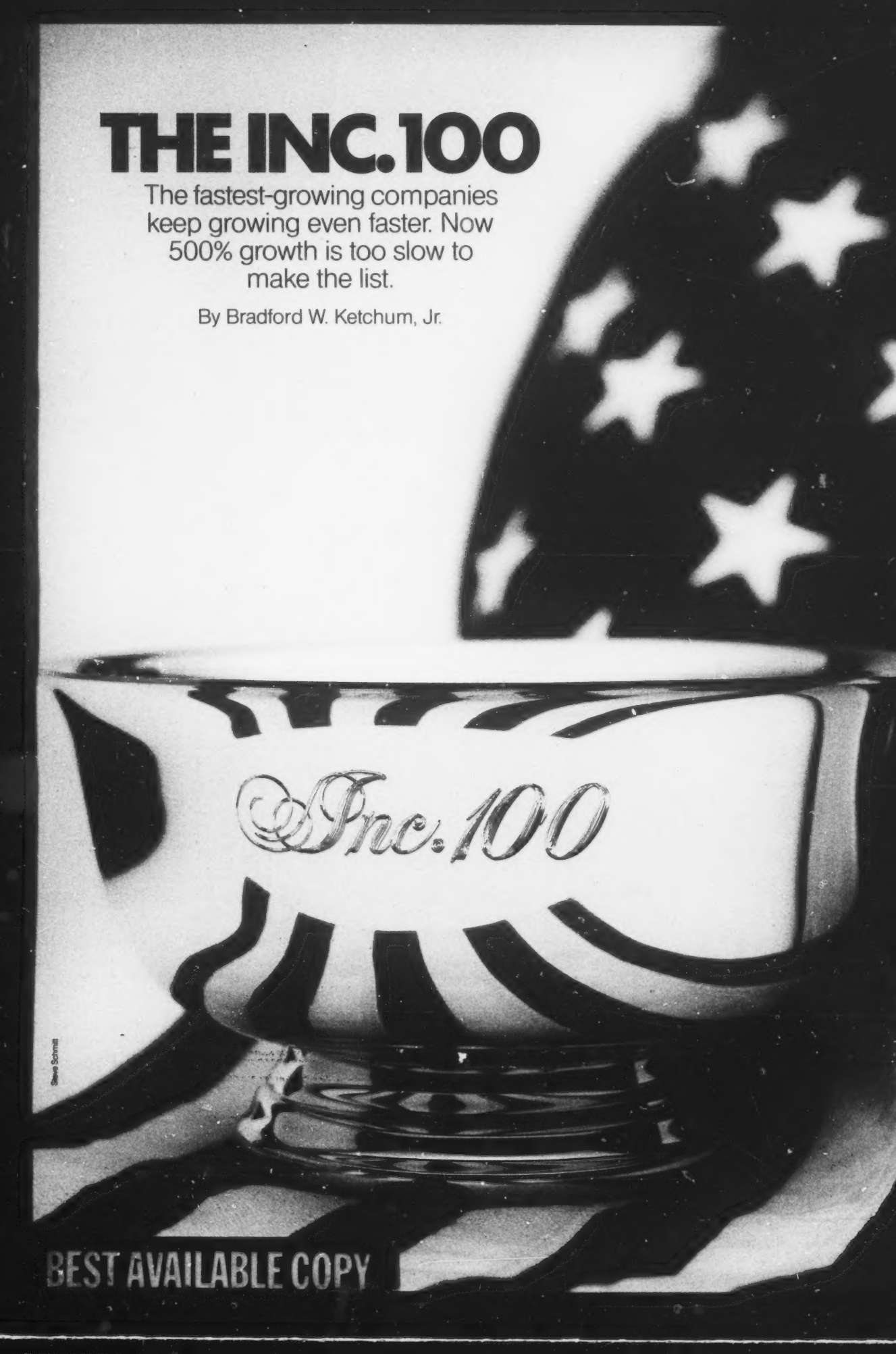
Rodgers & company runs on a fast track
Marathon runner Bill Rodgers opened a store just to keep body and soul together. **142**

Psssst! (Do you want to know a secret?)
Some legal and inexpensive ways to find out what your competitors are up to. **150**

THE INC. 100

The fastest-growing companies keep growing even faster. Now 500% growth is too slow to make the list.

By Bradford W. Ketchum, Jr.



BEST AVAILABLE COPY

The 1981 INC. 100 companies are a symbol of true human achievement. During a year of economic turbulence marked by sky-high interest rates, punishing inflation rates, and a pseudo recovery, the entrepreneurs who run these 100 companies pushed their people to outperform all other business groups by every measure. In 1980, the nation's largest corporations managed sales increases that barely kept pace with inflation and profit increases that didn't. In the same year, these 100 companies exploded, creating jobs, wealth, and innovations at a meteoric rate. While the giants posted a 1980 sales gain of 15%, the INC. 100 companies chalked up a vigorous 52% increase. Similiarly, while the nation's 1,000 largest companies mustered a mere 2% to 3% increase in aftertax earnings, the INC. 100 closed 1980 with a 50.1% surge in profits.

Spectacular as the INC. 100's 1980 performance was, it represents only the most recent installment in a five-year period best described as explosive. From 1976 to 1980, sales of the 100 companies soared by 1,188%, an average compound rate of 89.4% per year. Every company that qualified for this year's ranking registered at least a sixfold increase in sales during the 1976-80 base period.

These 100 companies represent INC.'s third annual ranking of the fastest-growing, publicly held smaller corporations in the United States. Led by a mining company and anchored by a petroleum producer, the

THE INC. 100

Rank '81	Rank '80	Company	Sales Growth 1976-80: Percent increase	Sales Growth 1976-80: Compound annual rate	Closing date	'80 Sales ($000)	'76 Sales ($000)
1	□	**Cobb Resources** (Albuquerque)	366,567%	678%	6/30	$ 11,000	$ 3
2	□	**DSI** (Nashville)	248,224	606	12/31	42,215	17
3	□	**Gulf Energy** (Salt Lake City)	43,843	358	4/30	3,076	7
4	1	**Tandem Computers** (Cupertino, Calif.)	18,659	270	9/30	108,989	581
5	□	**Tandon** (Chatsworth, Calif.)	12,475	235	9/26	22,761	181
6	□	**Electro-Biology** (Fairfield, N.J.)	12,330	234	12/31	5,345	43
7	2	**Cray Research** (Mendota Heights, Minn.)	11,835	231	12/31	60,748	509
8	□	**Network Systems** (Brooklyn Park, Minn.)	9,408	212	12/31	13,121	138
9	3	**NBI** (Boulder)	7,068	191	6/30	32,903	459
10	6	**Cado Systems** (Torrance, Calif.)	6,096	181	12/31	46,597	752
11	□	**Seal Fleet** (Galveston)	5,036	168	12/31	11,402	222
12	□	**Nutri/System** (Melrose Park, Pa.)	3,806	150	7/31	23,204	594
13	11	**Printronix** (Irvine, Calif.)	3,748	149	3/30	36,976	961
14	□	**Intelligent Systems** (Norcross, Ga.)	3,684	148	3/31	14,492	383
15	□	**Creative Foods** (Port Washington, N.Y.)	3,442	144	1/31	17,110	483
16	□	**Optel** (Holbrook, Mass.)	3,317	142	12/31	120,876	3,538
17	□	**Saxon Oil** (Dallas)	2,823	133	12/31	66,857[2]	2,287
18	□	**Bio-Medical Sciences** (New York)	2,812	132	12/31	47,176[2]	1,620
19	4	**Thousand Trails** (Seattle)	2,799	132	12/31	33,950	1,171
20	10	**RSI** (Greenville, S.C.)	2,743	131	8/31	73,747	2,594
21	□	**Sterling Oil of Oklahoma** (Tulsa)	2,681	130	12/31	14,600[1]	525
22	9	**DPF** (Hartsdale, N.Y.)	2,675	130	5/31	627,073	22,600
23	□	**Symbol Technologies** (Hauppauge, N.Y.)	2,585	128	8/31	2,390	89
24	□	**Sterling Pipe & Supply** (Oklahoma City)	2,579	127	10/31	48,644	1,816
25	□	**Silicon Systems** (Tustin, Calif.)	2,325	122	9/30	10,500	433
26	□	**Dimis** (Middletown, N.J.)	2,251	120	12/31	4,067	173
27	23	**Air Florida System** (Miami)	2,243	120	7/31	114,285	4,877
28	□	**Magnetic Head** (Glen Head, N.Y.)	1,933	112	11/30	8,396	413
29	□	**Nike** (Beaverton, Oreg.)	1,813	109	5/31	269,775	14,100
30	22	**Tomlinson Oil** (Wichita)	1,795	109	8/31	62,019	3,273
31	16	**Wespercorp** (Tustin, Calif.)	1,781	108	6/30	9,632	512
32	21	**FSC** (Pittsburgh)	1,719	107	12/31	159,861[2]	8,787
33	□	**Billings** (Independence, Mo.)	1,643	104	12/31	10,007[1]	574
34	□	**Amarco Resources** (Dallas)	1,518	101	6/30	7,604	470
35	26	**Reeves Communications** (New York)	1,512	100	6/30	44,408	2,754
36	□	**Tellabs** (Lisle, Ill.)	1,499	100	12/31	43,680	2,732
37	□	**Pacer Technology & Resources** (Campbell, Calif.)	1,483	99	12/31	4,100[1]	259
38	□	**Dysan** (Santa Clara, Calif.)	1,424	98	10/31	62,871	4,125
39	□	**Polaris Resources** (Denver)	1,395	97	12/31	9,000[1]	602
40	25	**Triad Systems** (Sunnyvale, Calif.)	1,363	96	9/30	56,513	3,864
41	100	**Golden Oil** (Denver)	1,362	96	6/30	3,568	244
42	□	**Chemold** (Binghamton, N.Y.)	1,312	94	7/31	29,190	2,067
43	□	**SafeCard Services** (Ft. Lauderdale)	1,217	91	10/31	16,137	1,225
44	□	**Texas Energies** (Amarillo)	1,217	91	4/30	1,528	116
45	□	**Transnet** (Union, N.J.)	1,210	90	6/30	8,828	674
46	8	**Floating Point Systems** (Portland, Oreg.)	1,195	90	10/31	42,405	3,275
47	□	**Electromedics** (Englewood, Colo.)	1,139	88	12/31	3,010	243
48	□	**Nuclear Pharmacy** (Albuquerque)	1,137	88	5/31	12,275	992
49	□	**Sci Med Life Systems** (Plymouth, Minn.)	1,107	86	2/29	3,029	251
50	20	**Prime Computer** (Natick, Mass.)	1,074	85	12/31	267,637	22,797

[1]Company estimate [2]INC. estimate [3]9-month figure [4]Excludes part-time employees

100 companies are ranked according to their percentage increase in sales or revenues, based on 1976 and 1980 fiscal year results. Five years ago, the 100 firms averaged $3.9 million in sales. None had more than $22.8 million in revenues and only 10 topped $10 million. Today, the INC. 100's average volume is $50 million, with 55 of the companies surpassing the $25-million mark.

The ranking, which includes 38 members of last year's roster (see box, page 56), represents a diverse range of manufacturing, mining, and service industries. It includes 26 computer and business equipment makers, 20 oil and gas producers, 10 manufacturers in the medical field, 2 fast-food franchisees, and 2 airlines. The elite group represents 25 states: California is the front-runner with 18 companies, followed by New York, 12; Colorado, 9; Texas, 9; and Minnesota, 8.

Diverse as they are in industry and location, the INC. 100 share four characteristics. They are young, innovative, productive, and profitable. Forty-one have incorporated since 1971; 88 have incorporated since 1961. On the average, the INC. 100 firms have been in business less than 13 years. Start-ups not long ago, they are now the upstarts on the leading edge of high technology and creative marketing. The list includes innovators in computer leasing, direct mail, home health care, hydrogen research, and oil-field supplies, as well as data communications, drugs,

'80 Net income ($000)	'76 Net income ($000)	'80 Net income as % of sales	No. of employees '80	No. of employees '76	Acquisitions '76-'80	Date inc.	Business description
$ 1,190	(40)	10.8	100	6	Yes	1969	Uranium, precious metals mining; oil & gas expl.
860	(121)	2.0	650	2	Yes	1967	Computer output microfilm and videotape services
140	(66)	4.6	84	12	Yes	1968	Oil, gas & coal development
10,687	(2,169)	9.8	1,630	71	No	1974	Mfr. multiple processor computers
1,507	20	6.6	578	20	No	1976	Mfr. flexible disk drives fc . minicomputers
(1,614)	(5)	--	145	8	No	1975	Medical services (electro-mag. treatment of fractures)
10,900	(1,551)	17.9	761	124	No	1972	Mfr. large-scale computers
1,884	(980)	14.4	204	37	No	1974	Mfr. data communications equipment
3,205	(860)	9.7	670	55	No	1973	Mfr. word processing systems
4,501	(107)	9.7	148	15	No	1973	Mfr. small business computers
1,805	(145)	8.2	200	2	Yes	1969	Owner-operator offshore supply vessels
3,751	44	16.2	425	45	Yes	1976	Owner/franchisor weight loss centers
3,137	(96)	8.5	850	60	No	1974	Mfr. computer line printers
487	(3)	3.4	185	20	No	1973	Mfr. display terminals & desktop computers
(103)	82	--	95[4]	10	No	1969	Operator 50 Burger King restaurants
1,442	(9,048)	1.2	840[4]	325	Yes	1969	Operator discount stores, drug wholesaler
5,750[2]	392	8.6	145	18	No	1968	Oil & gas exploration
2,572[3]	(5,159)	7.5[3]	625	296	Yes	1967	Mfr. women's sportswear & medical thermometers
4,536	(194)	13.4	790	75	Yes	1969	Develops/operates campground resorts
2,079	(695)	2.8	746	98	Yes	1972	Mfr. turf & heat transfer equip.; motels; bottler
300[1]	50	2.1	200	20	Yes	1948	Oil & gas production; mfr. mobile quarters; air service
7,400	2,234	1.2	14,000	150	Yes	1961	Equipment leasing; wholesale baking
(100)	(100)	--	68	5	No	1973	Mfr. laser scanners for bar coding
1,166	(183)	2.4	50	8	Yes	1976	Oil field equipment supplier
599	57	5.7	155	17	No	1972	Mfr. custom integrated circuits
480	(227)	11.8	41	7	No	1974	Designs/sells EDP systems for wholesalers
5,070	(748)	4.4	1,900	200	Yes	1955	Commercial airline
429	(110)	5.1	128	20	Yes	1968	Mfr. precision parts & protective coatings
12,505	600	4.6	2,600	400	No	1968	Mfr. athletic footwear
2,992	1,367	4.8	57	28	Yes	1957	Oil & gas exploration, production, refining
765	30	7.9	153	30	No	1975	Mfr. controllers for mini/micro computers
4,019[3]	(112)	3.4[3]	996	48	Yes	1969	Mfr. dry cleaning equip.; leasing; refinery
(608)[2]	(108)	--	218	38	Yes	1973	Mfr. hydrides & electrolyzers; hydrogen research
181	30	2.4	170	20	Yes	1972	Oil field services; oil & gas production
3,946	23	8.9	330	168	Yes	1969	Producer/distributor of movies for TV & cinema
6,608	194	15.1	571	48	No	1975	Mfr. telephone switching & signalling equipment
602[3]	17	18.7[3]	100	13	No	1975	Mfr. industrial adhesives
7,993	393	12.7	1,800	200	Yes	1972	Mfr. rotating magnetic media for computers
175[1]	2	1.9	50	15	Yes	1969	Oil & gas exploration; mining equipment supplier
5,031	201	8.9	1,000	80	No	1972	Mfr. microcomputer systems
872	(173)	24.4	7	2	No	1970	Oil & gas exploration
1,174	(1,193)	4.0	311	97	Yes	1949	Mfr. women's swimwear; refrigeration equip.
3,056	315	18.9	200	20	No	1969	Direct mail & marketing services
234	75	15.3	28	6	Yes	1966	Oil & gas exploration
971	(100)	11.0	29	6	Yes	1969	Marketing/leasing of computer terminals & equip.
3,765	479	8.9	850	82	No	1970	Mfr. array processors
230	(691)	7.6	106	5	No	1972	Mfr. medical temperature devices
(272)	(174)	--	250	100	Yes	1974	Dispenser of radio-pharmaceuticals
183	(135)	6.0	95	30	No	1972	Mfr. disposable & implantable medical products
31,222	2,429	11.7	4,011	520	No	1972	Mfr. computers

medical devices, and precision instruments. In almost one out of five cases, "systems" or "technology" is part of the corporate name. A similar number also boast names that include the words energy, oil, or resources.

Products of the free enterprise system themselves, the INC. 100 have accelerated competition in the country's fastest-growing fields and have outpaced giant counterparts in several fields. Among INC. 100 companies in the computer industry, for example, the five-year compound average annual growth rates range from 60% (Adac Laboratories) to 270% (Tandem). Among the blue-chip leaders in the same industry, the compound growth rates range from 28% (Burroughs) to 55% (Control Data). The INC. 100 contingent in the energy field has pumped out compound growth rates from 57% (Wainoco) to 678% (Cobb), exceeding major oil companies' performance of 13% (Gulf) to 25% (Mobil) by a hefty margin. Overall, while total sales posted by the nation's 1,000 largest companies rose slightly more than 71% between 1976 and 1980, the INC. 100's sales skyrocketed to a gain of 1,188%.

Using sales per employee as a yardstick, the smaller growth companies generate greater volume per worker than most of their giant counterparts. Cado Systems, for example, rang up almost five times as much sales per employee last year as IBM. Compared with U.S. Shoe and Stride Rite, Nike produces triple the sales dollars per worker.

THE INC. 100 *(continued)*

Rank '81	Rank '80	Company	Sales Growth 1976-80 Percent increase	Sales Growth 1976-80 Compound annual rate	Closing date	'80 Sales ($000)	'76 Sales ($000)
51	5	**Volunteer Capital** (Brentwood, Tenn.)	1,051%	84%	12/31	$ 62,081	$ 5,394
52	□	**Nord Resources** (Dayton)	1,050	84	12/31	12,471[2]	1,084
53	17	**Econo-Therm Energy Systems** (Minnetonka, Minn.)	1,041	84	2/28	24,585	2,154
54	29	**Shopsmith** (Vandalia, Ohio)	1,032	83	3/31	30,107	2,659
55	□	**Intermedics** (Freeport, Tex.)	1,001	82	10/31	105,208	9,558
56	51	**Petroleum Equipment Tools** (Houston)	896	78	12/31	92,715	9,306
57	30	**Commodore** (Syracuse, Ind.)	896	78	6/30	179,954	18,066
58	28	**Rolm** (Santa Clara, Calif.)	886	77	6/29	200,729	20,357
59	33	**Data Terminal Systems** (Maynard, Mass.)	868	76	1/31	107,192	11,074
60	□	**Hurco Manufacturing** (Indianapolis)	863	76	10/31	28,490	2,959
61	13	**Acton** (Acton, Mass.)	846	75	12/31	186,720	19,745
62	□	**Compact Video Systems** (Burbank, CA)	808	74	4/30	34,002	3,744
63	□	**M.D.C.** (Denver)	792	73	12/31	32,600	3,656
64	□	**Inter-Tel** (Phoenix)	790	73	11/30	10,648	1,197
65	41	**Quality Care** (Rockville Centre, N.Y.)	770	72	11/30	30,738[2]	3,534
66	□	**Minnetonka** (Chaska, Minn.)	767	72	12/31	73,214	8,446
67	□	**Petrominerals** (Santa Ana, Calif.)	764	71	12/31	25,000[1]	2,894
68	□	**Team** (Houston)	747	71	5/31	24,197	2,856
69	□	**Staodynamics** (Longmont, Colo.)	732	70	2/28	3,268	393
70	45	**Data Access Systems** (Blackwood, N.J.)	727	70	8/31	37,242	4,504
71	37	**Chem-Nuclear Systems** (Bellevue, Wash.)	720	69	7/31	46,390	5,655
72	□	**Nucorp Energy** (San Diego)	717	69	12/31	93,951	11,493
73	32	**Chuck Barris Productions** (Hollywood)	714	69	5/31	38,514	4,730
74	□	**Health Extension Services** (Syosset, N.Y.)	713	69	9/30	5,153	634
75	79	**Interface Mechanisms** (Lynnwood, Wash.)	690	68	3/31	10,164	1,287
76	□	**Swanton** (New York)	688	68	1/31	9,327	1,183
77	□	**Newport Pharmaceuticals** (Newport Beach, Calif.)	681	67	4/30	4,661	597
78	□	**CGA Computer Associates** (Cranford, N.J.)	676	67	4/30	19,227	2,479
79	35	**Rampart General** (Santa Ana, Calif.)	676	67	3/31	27,589	3,553
80	□	**Mentor** (Minneapolis)	673	67	3/31	2,946	381
81	□	**Ind'l. Solid State Controls** (York, Pa.)	670	67	6/30	33,207	4,312
82	52	**Auto-trol Technology** (Denver)	640	65	12/31	51,600[1]	6,971
83	55	**Coradian** (Latham, N.Y.)	637	65	12/31	35,919	4,875
84	□	**Key Pharmaceuticals** (Miami)	630	64	12/31	23,726	3,252
85	□	**Seneca Oil** (Oklahoma City)	617	64	9/30	8,591	1,198
86	□	**Dyco Petroleum** (St. Louis Park, Minn.)	616	64	12/31	32,377	4,519
87	□	**Chomerics** (Woburn, Mass.)	611	63	12/31	31,029	4,364
88	68	**Paradyne** (Largo, Fla.)	608	63	12/31	75,907	10,722
89	27	**Telecom Equipment** (Long Island City)	604	63	12/31	40,000[1]	5,682
90	□	**Andersen 2000** (College Park, Ga.)	574	61	9/30	5,942	882
91	□	**Petro-Lewis** (Denver)	572	61	6/30	111,087	16,531
92	□	**Kratos** (La Jolla, Calif.)	568	61	12/31	55,507	8,313
93	63	**Adac Laboratories** (Sunnyvale, Calif.)	554	60	9/30	18,782	2,870
94	□	**Flight Transportation** (Eden Prairie, Minn.)	551	60	6/30	8,039	1,234
95	92	**Matrix** (Northvale, N.J.)	550	60	8/31	19,571	3,009
96	□	**Presidio Oil** (Denver)	542	59	6/30	4,919	766
97	□	**C3** (Reston, Va.)	528	58	3/31	13,984	2,228
98	□	**Kinder-Care Learning Centers** (Montgomery, Ala.)	521	58	5/30	56,578	9,109
99	□	**Delhi International Oil** (Dallas)	515	58	12/31	27,138	4,410
100	53	**Wainoco Oil** (Houston)	510	57	12/31	36,009	5,901

[1]Company estimate [2]INC. estimate [3]9-month figure [4]Excludes part-time employees

And in the oil industry, Tomlinson's revenues per employee are double those of Exxon and Texaco. Among the INC. 100 overall, sales per employee averages more than $56,300, with a mean of $74,520.

More important than employee sales statistics, however, is the growth in the number of employees among the INC. 100. In the past five years, the overall size of the INC. 100's work force has jumped by 663%—a significant figure compared with the 12% increase registered by the top 500 industrials. In fact, General Motors has laid off more workers in recent months than the entire INC. 100 currently employs.

Among the 42 companies whose growth was generated internally and not by acquisition, the increase in number of employees is a substantial 734%. In short, their payrolls have expanded more than eightfold and that translates into almost 19,700 new jobs created in the past five years.

The majority of INC. 100 companies did expand externally during the 1976-80 period, confirming that smaller companies are as adept as their giant counterparts when it comes to the takeover game. Acquisitions played a role in the growth of 58 companies in the five-year period, up from 48 who reported acquisitions last year. Most notable among the list of buyers is DPF (No. 22), which closed fiscal '76 with sales of $22.6 million and the acquisition of Interstate Brands Corp. Sales of the diversified wholesale baking and computer leasing firm now top $627 million, making

'80 Net income ($000)	'76 Net income ($000)	'80 Net income as % of sales	No. of employees '80	No. of employees '76	Acquisitions '76-'80	Date inc.	Business description
$ (101)	370	--	5,310	566	Yes	1971	Fast-food franchisee & restaurant chain (Wendy's)
(184)[3]	(423)	--	210	348	Yes	1971	Mineral/ore mining & exploration
(257)	(61)	--	450	40	Yes	1961	Mfr. energy-related equip. for petrochemical industry
1,445	233	4.8	1,200	73	Yes	1972	Mfr. woodworking equipment
10,732	887	10.2	1,575	371	Yes	1973	Mfr. cardiac pacemakers, eye lenses, biomedical devices
13,822	1,445	14.9	1,196	398	Yes	1967	Rents oil & gas drilling equipment
(2,601)	(678)	--	2,400	400	Yes	1952	Mfr. mobile homes & recreation vehicles
17,340	1,264	8.6	4,225	475	Yes	1969	Mfr. computers & telephone switching systems
9,550	1,000	8.9	2,000	150	Yes	1970	Mfr. electronic terminals & cash registers
256	440	0.9	365	70	No	1968	Mfr. computerized machine tools
4,798	1,521	2.6	3,500	125	Yes	1960	Mfr. snack foods; owner/operator cable TV, radio
2,280	308	6.7	400	150	Yes	1971	Mfr./rental mobile video units & systems
2,183	139	6.7	130	49	No	1972	Real estate development, welding supplier
1,051	81	9.9	110	18	No	1969	Mfr. digital & electromech. telephone systems
64[3]	29	0.3[3]	2,100	241	Yes	1969	Home health care services, franchises
5,534	307	7.6	600	175	Yes	1964	Mfr. personal care products
4,993[3]	730	22.2[3]	200	10	Yes	1966	Oil & gas exploration
1,639	225	6.8	625	300	Yes	1973	Oilfield & energy conservation services
27	(52)	0.8	98	30	Yes	1975	Mfr. nerve stimulators
5,148	609	13.8	393	68	Yes	1969	Data terminal & peripheral equipment supplier
4,479	739	9.7	381	79	Yes	1969	Nuclear & chemical waste disposal services
8,845	(119)	9.4	1,200	147	Yes	1967	Oil & gas exploration; mfr. energy equip.
6,316	367	16.4	120	14	No	1968	TV programs & film production
235	(11)	4.6	2,000	8	No	1975	Home health care & related equipment rental
863	95	8.5	288	33	No	1969	Mfr. label printing & reading devices
952	(171)	10.2	70	9	Yes	1972	Coal & gas production; financial services
(333)	(381)	--	120	49	Yes	1971	Develop/mfr. antiviral pharmaceutical compounds
1,760	308	9.2	368	77	Yes	1968	Computer consulting services & software packages
(431)	(249)	--	180	28	No	1966	Mfr. fireplaces; real estate development
63	(44)	2.1	32	12	No	1969	Mfr. clinical devices; bio-medical engineering
1,866	78	5.6	649	200	Yes	1962	Mfr. programmable controllers
4,500[1]	460	8.7	650	112	No	1962	Mfr. interactive graphic systems & digitizers
553	(2)	1.5	500	127	No	1959	Sells/services private telephone systems
3,177	373	13.4	400	100	Yes	1947	Mfr. ethical drugs
2,220	229	25.8	48	8	No	1936	Oil & gas exploration
8,503	1,530	26.3	150	39	Yes	1971	Mgmt. of public drilling programs for oil & gas
1,821	152	5.9	700	90	Yes	1961	Mfr. keyboards & shielding materials
8,247	516	10.9	1,736	229	No	1969	Mfr. data communications equipment
2,670[1]	(466)	6.7	530	55	Yes	1969	Mfr. private telephone systems
536	173	9.0	27	16	No	1971	Mfr. pollution control equipment
22,259	1,030	20.0	1,500	300	Yes	1968	Oil & gas production
3,447	556	6.2	1,092	392	Yes	1964	Mfr. precision instruments
880	(497)	4.7	349	100	No	1970	Mfr. imaging computers for nuclear medicine
319	(7)	4.0	52	77	No	1968	Charter airline
1,858	23	9.5	260	54	Yes	1956	Mfr. diagnostic medical instruments
281	(13)	5.7	38	6	Yes	1976	Oil exploration & production
2,354	435	16.8	150	35	No	1971	Data processing systems design & services
3,449	510	6.1	7,200	1,300	Yes	1969	Day care services & learning centers
4,784	1,802	17.6	260	140	Yes	1958	Oil & gas exploration, contract drilling
7,051	1,542	19.6	250	48	No	1949	Oil & gas exploration, production

The INC. 100 Profile (1980)

No. of firms by industry	
Manufacturing	53
Services	30
Mining (including oil & gas)	17
Total sales ($ billion)	$5.0
Percent change (1976-80)	+1,188%
Percent change (1979-80)	+52.2%
Total net income ($ million)	$347.8
Percent change (1976-80)	+26,208%
Percent change (1979-80)	+50.1%
Mean sales in 1980 ($ million)	$29.6
Mean sales in 1976 ($ million)	$2.3
Comp. average annual sales growth (1976-80)	
Total	89.4%
Range	57%-678%
Mean	84.5%
Net income as percent of sales	
Range	0.3%-26.3%
Mean	8.7%
No. acquiring other firms (1976-80)	58
No. incorporated since 1971	41
Total no. of employees	
1980	88,732
1976	11,623
Percent change (1976-80)	+663%

it the only INC. 100 company that has also earned a standing among the *Fortune* 500.

In terms of earnings, the INC. 100 firms are as profitable as they are innovative and productive. From 1976 through 1980, total net income for the 100 smaller companies soared by 26,208%, while 44 companies closed 1976 with red ink on their profit and loss statements, only 11 were wrestling with deficits at the end of 1980. More important, 83 posted gains in earnings last year, with net profit at 7% of sales, up from 0.3% five years ago.

Understandably, pegging the INC. 100's return on equity is difficult, if not impossible. Small growth companies in general are highly leveraged, and the companies that make up the INC. 100 are no exception. Substantial changes in equity due to new stock issues, coupled with the idiosyncrasies of calculating return ratios, further distort the figures. By INC. estimates, however, the return on equity among the INC. 100 firms ranges from 2.1% to 247.3%, with a highly enviable median of 28.7%.

As with any ranking of elite companies, the INC. 100 raises curiosity about the firms that finished as runners-up and those that were disqualified. Among the runners-up are at least 100 companies that have quadrupled or quintupled their sales in the past five years. INC. will list these "Second 100" firms in a special feature next month.

Among the companies disqualified, the most noteworthy this year are those that were eliminated because they have yet to establish a five-year operating history. These youngsters testify to the meteoric growth of

Top 10 Performers: How Productive, How Profitable?

1980 Productivity*
(Sales per employee)

Rank	Company (INC. 100 Rank)	Sales per employee
1	Sterling Pipe & Supply (24)	$972,880
2	Chuck Barris Productions (73)	320,950
3	Cado Systems (10)	314,845
4	Transnet (45)	304,414
5	Andersen 2000 (90)	220,074
6	Flight Transportation (94)	154,596
7	Reeves Communications (35)	134,570
8	Minnetonka (66)	122,023
9	Chem-Nuclear Systems (71)	121,759
10	Nike (29)	103,760

*Does not include capital-intensive oil and gas developers or companies whose primary business is leasing or real estate

1980 Profitability
(Net income as % of sales)

Rank	Company (INC. 100 Rank)	Net income % of sales
1	Dyco Petroleum (86)	26.3%
2	Seneca Oil (85)	25.8
3	Golden Oil (41)	24.4
4	Petrominerals (67)	22.2
5	Petro-Lewis (91)	20.0
6	Wainoco Oil (100)	19.6
7	SafeCard Services (43)	18.9
8	Pacer Technology (37)	18.7
9	Cray Research (7)	17.9
10	Delhi International (99)	17.6

Where's the Class of '80?

Thirty-eight of the 1980 INC. 100 companies graduated to the 1981 listing. Of those, however, only two moved up in ranking. The other 36 relinquished higher rankings but remain members of an elite club where 1,000% sales growth in the past five years is more the rule than the exception.

What of the other 62 companies? Five are no longer independent, having been acquired by larger companies within the last year. They include Continuous Curve Contact Lenses, Documation, Geneve, Trans Delta, and Valtec.

Seven others did not meet the basic criterion: sales of less than $25 million in the base year 1976. In this category are Computervision, Emerson Radio, Galveston-Houston, Liberty Homes, MetPath, Southwest Airlines, and Texas American Oil—five of which have passed not only the $25-million mark but the $100-million mark in the past five years.

Eight companies in last year's ranking closed fiscal 1980 with sales decreases, thus failing to qualify. Notable among those who saw sales slide are Invesco International, down 34%; American Medical Buildings and UniShelter, down 15.5%; and Xonics, down 15.2%.

Forty-one other 1980 INC. companies grew in the new base period, but off the +500% pace of this year's top 100. At least 22 of those have earned ranking among INC.'s Second 100 fastest-growing smaller companies. Representing companies whose sales have soared 300% to 497% in the past five years, the Second 100 ranking will be published in INC's next issue. Runners-up to the Second 100 list include 13 1980 INC. 100 companies with sales hikes of 208% to 285% in the last five years—outstanding performance by any standard other than the INC. 100/200.

Finally, the Class of '80 is not without a casualty. From 1979 sales of $35.3 million and a net loss of $853,000, Allied Technology (No. 38 last year) plunged into bankruptcy in 1980. Under Chapter XI, the Ohio-based electronic-parts maker registered more than $8 million in red ink last year against undisclosed revenues.

emerging companies. Among the most celebrated companies in this category are St. Jude Medical, Apple Computer, Pizza Time Theatre, and Genentech, none of which were generating sales five years ago. Since 1977, however, St. Jude Medical's revenues have soared by 33,411% and Apple Computer's by 15,133%. Genentech, which began generating operating revenues in 1978 (see story, page 62), has registered a 947% gain in three short years. Pizza Time Theatre boasts an even more spectacular gain of 3,181% in the same period.

Will the INC. 100's spectacular growth continue? Many who watch small companies as investments say the bubble will inevitably burst. When price-earnings ratios open in three digits, when companies can successfully go public with no operating history, when everybody succumbs to high-flyer mania, they say, that's a sign that there's trouble brewing.

But the INC. 100 aren't frivolous companies. They are intimately involved in solving our nation's problems: finding and developing new sources of energy; making medical instruments and services to help us live healthier lives; increasing the efficiency of our offices and factories; even creating new ways to feed, transport, and entertain us. In fact, the demand for these products and services is bound to keep growing as fast as these 100 companies can supply it.

INC. 100/Index

Trading	P/E Ratio	Company (Rank)
AMEX	12	Acton* (61)
OTC	42	Adac Laboratories* (93)
OTC	33	Air Florida System* (27)
OTC	42	Amarco Resources (34)
OTC	30	Andersen 2000 (90)
OTC	17	Auto-trol Technology* (82)
OTC	loss	Billings (33)
OTC	7	Bio-Medical Sciences (18)
OTC	22	CGA Computer Associates (78)
OTC	27	C3 (97)
OTC	21	Cado Systems* (10)
OTC	20	Chem-Nuclear Systems* (71)
OTC	NA	Chemold (42)
OTC	19	Chomerics (87)
OTC	26	Chuck Barris Productions* (73)
OTC	27	Cobb Resources (1)
AMEX	loss	Commodore* (57)
OTC	16	Compact Video Systems (62)
OTC	16	Coradian* (83)
NYSE	42	Cray Research** (7)
OTC	loss	Creative Foods (15)
NYSE	5	DPF* (22)
OTC	18	DSI (2)
AMEX	10	Data Access Systems* (70)
NYSE	10	Data Terminal Systems* (59)
AMEX	143	Delhi International Oil (99)
OTC	21	Dimis (26)
NYSE	28	Dyco Petroleum (86)
OTC	49	Dysan (38)
OTC	loss	Econo-Therm Energy Systems** (53)
OTC	loss	Electro-Biology (6)
OTC	NA	Electromedics (47)
OTC	2	FSC* (32)
OTC	10	Flight Transportation (94)
OTC	23	Floating Point Systems* (46)
OTC	41	Golden Oil** (41)
OTC	244	Gulf Energy (3)
OTC	71	Health Extension Services (74)
OTC	307	Hurco Manufacturing (60)
OTC	14	Ind'l. Solid State Controls (81)
OTC	62	Intelligent Systems (14)
OTC	24	Interface Mechanisms* (75)
OTC	20	Intermedics (55)
OTC	66	Inter-Tel (64)
AMEX	79	Key Pharmaceuticals (84)
OTC	26	Kinder-Care Learning Centers (98)
OTC	12	Kratos (92)
OTC	12	M.D.C. (63)
OTC	NA	Magnetic Head (28)
AMEX	31	Matrix* (95)
OTC	28	Mentor (80)
OTC	16	Minnetonka (66)
OTC	36	NBI* (9)
OTC	49	Network Systems (8)
OTC	loss	Newport Pharmaceuticals (77)
OTC	18	Nike (29)
OTC	NA	Nord Resources (52)
OTC	83	Nuclear Pharmacy (48)
OTC	25	Nucorp Energy (72)
OTC	14	Nutri/System (12)
OTC	2	Optel (16)
OTC	95	Pacer Technology & Resources (37)
AMEX	42	Paradyne* (88)
OTC	18	Petroleum Equipment Tools* (56)
AMEX	18	Petro-Lewis (91)
OTC	NA	Petrominerals (67)
OTC	NA	Polaris Resources (39)
OTC	77	Presidio Oil (96)
NYSE	27	Prime Computer** (50)
OTC	21	Printronix* (13)
OTC	NA	Quality Care* (65)
OTC	NA	RSI* (20)
OTC	loss	Rampart General** (79)
OTC	27	Reeves Communications* (35)
NYSE	30	Rolm** (58)
OTC	15	SafeCard Services (43)
OTC	24	Saxon Oil (17)
OTC	73	Sci Med Life Systems (49)
OTC	12	Seal Fleet (11)
OTC	32	Seneca Oil (85)
OTC	8	Shopsmith* (54)
OTC	49	Silicon Systems (25)
OTC	34	Staodynamics (69)
OTC	30	Sterling Oil of Oklahoma (21)
OTC	16	Sterling Pipe & Supply (24)
OTC	10	Swanton (76)
OTC	loss	Symbol Technologies (23)
OTC	51	Tandem Computers** (4)
OTC	51	Tandon (5)
OTC	15	Team (68)
OTC	41	Telecom Equipment* (89)
OTC	18	Tellabs (36)
OTC	35	Texas Energies (44)
OTC	7	Thousand Trails* (19)
OTC	30	Tomlinson Oil** (30)
OTC	11	Transnet (45)
OTC	29	Triad Systems* (40)
OTC	46	Volunteer Capital** (51)
AMEX	32	Wainoco Oil** (100)
OTC	16	Wespercorp* (31)

*1980 INC. 100 **1979/1980 INC. 100 OTC - Over-the-counter AMEX - American Stock Exchange NYSE - New York Stock Exchange
P/E Ratio - Price as of February 27, 1981 divided by latest 12-month earnings

How the INC. 100 are selected

To be included in the INC. 100, each company must meet these criteria:

1. The company is an independent, publicly held corporation in a manufacturing, mining, or service industry. Utilities, banks, insurance companies, and other financial institutions are excluded.
2. The company's sales or revenues were less than $25 million in 1976.
3. The company shows a sales/revenues history of at least five years, with a demonstrated increase in its fiscal 1980 closing figure. Firms showing growth in the 1976-80 base period but a sales decline in the last year are excluded.

Sales and income figures were first gathered from 10-Ks, prospectuses, annual reports, and various data bases and directories. Additional information was collected from stock reports, trade magazines, and general business publications. By applying the three criteria above, as well as a five-year growth rate of at least 400%, the number of companies that potentially qualified for listing was pared from 8,600 to less than 500. Telephone interviews were conducted with corporate executives to verify the figures and an editorial team led by senior editor Bradford Ketchum, Jr., then selected the 1981 INC. 100.

Bradford Ketchum, Jr. (left), is a senior editor at INC. He was assisted in preparing this report by research editor Elyse Friedman (center) and editorial assistant Carol Torres (right).

TRACKING THE INC. 100 CAPITAL GAINS:

If you'd bought this portfolio last March, you could have gone on vacation for a year and still made 7% on your money.

Spectacular growth is the hallmark of the INC. 100. Yet it's one thing to rack up impressive revenue gains year after year, and quite another for common stocks of companies that are often thinly capitalized and sometimes chancy to show similar growth. To determine how this year's INC. 100 fared in the ultimate test of the market—profit to public investors—INC.'s editors tabulated the ups and downs of the stock prices for a full year of the companies on the list.

The gain or loss for each company was calculated as closely as possible for the 12-month period beginning March 10, 1980 and ending March 10, 1981, arbitrary dates dictated solely by magazine deadlines. Ninety-nine of the companies in this year's INC. 100 are represented in the results. (One company, Sterling Pipe & Supply, had not yet traded as of the cut-off date.) Stock splits and stock dividends were noted and taken into account in adjusting fully diluted prices per share. Where possible, prices were determined by using either the over-the-counter bids on both dates for stocks listed on the NASDAQ quotation system, or the closing prices on each date for stocks listed on the New York, American, or Pacific Exchanges. In the case of 16 companies, the opening price was the initial offering price on the first day traded. Six O-T-C companies on the list were traded outside NASDAQ; their markets, reported here on a "best available quote" basis, were exceptionally thin and the stocks were infrequently traded. Calculations for cash dividends and brokerage fees were not included. And finally, net gains and losses were rounded off to the nearest whole dollar, as was the percentage increase of the group.

The happy results of all this are shown in the accompanying graph. Our unweighted INC. 100 index, extracted simply from the destiny of $100 invested in each stock on opening day, outstripped the gain of the Dow Jones Industrial Average by a factor of 4, the Standard Poor's 500 by 3.5, the American Stock Exchange Index by 2.8, and doubled the gain posted by the NASDAQ Composite over the same period. Impressive as it is, this performance was dulled somewhat by the number of stocks on the list that went public considerably later than March 10, 1980 (see footnotes) and hence for our purposes did not enjoy a full season in the stock market sun.

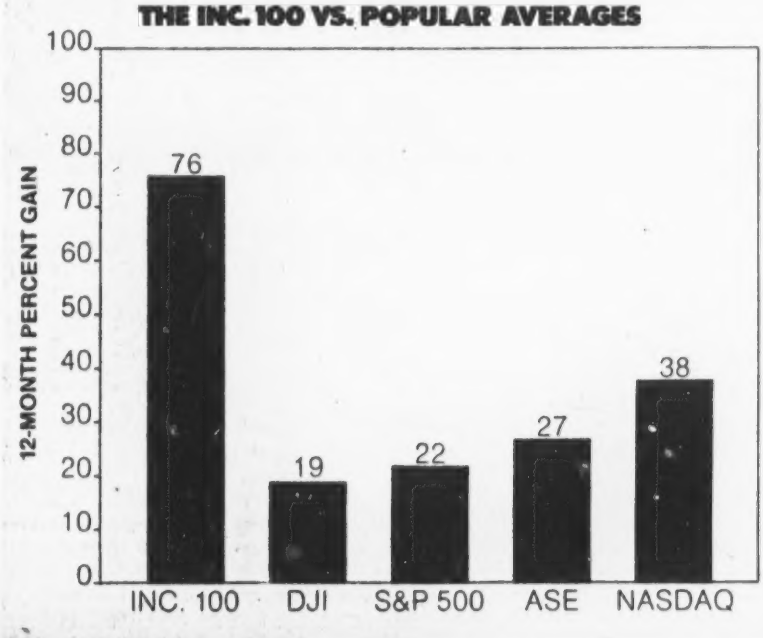
RELATIVE MARKET PERFORMANCE OF THE INC. 100

	3/10/80	3/10/81	% Gain
INC	100	176	76
Dow Jones Industrials	818.94	972.66	19
Standard & Poor's 500	106.51	130.46	22
American Exchange Index	265.40	336.94	27
NASDAQ Industrials	143.75	199.03	38

Left on its own for a year, a $9,900 investment in the INC. 100 would have returned $17,401, a larger increment than all but those of the most aggressively managed go-go funds. Had the list been supervised, with an astute manager buying low and selling high according to the book, the outcome could well have been spectacular. For example, Cray Research peaked at 48½ before falling back to its March 10, 1981 close of 32⅞. Prime Computer could have been sold at its top of 41⅛ rather than our arbitrary sale at 23¼. Auto-trol Technology soared as high as 61½ before its decline to 31¼. Imaginatively handled, these issues and many others on the list clearly would have brought even higher profits to the investor.

A large fraction of the companies—84 of the 99—are traded over-the-counter. This fact was predictable, since their small capitalizations and short business histories often do not meet NYSE and Amex listing criteria. But it also suggests that the briskest capital gains action is in O-T-C equities, a view borne out by the strong relative performance of the NASDAQ Index itself. This situ-

THE INC. 100 VS. POPULAR AVERAGES



BEST AVAILABLE COPY

INVESTING *(from page 161)*

ation, too, ought not to be surprising. The past two years have seen an unprecedented leap in venture capital investment, reflecting 1978's lowering of capital gains taxation. As a result, the O-T-C market has been and continues to be seeded with well-launched, well-funded young companies, some of which, like the six on this list, end up as NYSE veterans even while still qualifying for INC. 100 inclusion.

A final observation that may come as a revelation is that not all of the best profits came in "hot" industries, such as energy and electronics, generally favored by Wall Street during the 12-month period. Indeed, the INC. 100 list is laced with "ordinary" businesses whose stock performances far outstripped many a glamorous portfolio darling. □

INC. 100 STOCK MARKET PERFORMANCE

1981 INC. 100 Rank	Company	Stock Splits/ Stock Dividends	Bid/Close 3/10/80	Bid/Close 3/10/81	12-month Value of $100 Invested
1	Cobb Resources		11½	13¼	115
2	DSI		7	5½	79
3	Gulf Energy		1¼	2⅝	185
4	Tandem Computers	split 2 1, 7/18/80	22⅞	66¼	289
5	Tandon		16[a]	17½	109
6	Electro-Biology		10[a]	22½	225
7	Cray Research[N]	split 3 1, 12/19/80	15½	32⅝	210
8	Network Systems		18[b]	17⅛	95
9	NBI	split 3 1, 3/10/81	12¼	23	188
10	Cado Systems		20¼	32	154
11	Seal Fleet		4¾	5¾	121
12	Nutri/System		19[c]	19¾	104
13	Printronix		19½	24½	126
14	Intelligent Systems		16[d]	16¼	102
15	Creative Foods[O]		1¼	1¼	71
16	Optel	recapitalized 1 8, 11/30/80	6	6	100
17	Saxon Oil		25[b]	41½	166
18	Bio-Medical Sciences		¼	1⅜	242
19	Thousand Trails	10% stock dividend, 6/30/80	5.91	11¼	190
20	RSI		3⅜	2	55
21	Sterling Oil of Oklahoma		¼	1¼	233
22	DPF[N]		6⅛	8¾	138
23	Symbol Technologies		5¼	9¼	176
25	Silicon Systems		11[c]	9⅝	88
26	Dimis		6¾[e]	7½	111
27	Air Florida System		9⅛	11⅞	127
28	Magnetic Head[O]		¼	⅛	130
29	Nike		22[d]	17½	80
30	Tomlinson Oil	50% stock dividend, 9/30/80	11.58	10⅛	89
31	Wespercorp		10	11¼	118
32	FSC		4¼	3¼	76
33	Billings		10	8½	85
34	Amarco Resources	recapitalized 1 5, 5/20/80	6.09	5½	90
35	Reeves Communications	50% stock dividend, 10/30/80	10.66	32½	305
36	Tellabs		20[f]	23¾	119
37	Pacer Technology & Resources		2⅞	3⅜	116
38	Dysan		13½[c]	17	126
39	Polaris Resources		1⅛	1	94
40	Triad Systems		20¾	28¼	136
41	Golden Oil		3½	3⅞	111
42	Chemold[O]		¼	1	400
43	SafeCard Services	100% stock dividend, 10/23/80	4⅞	21¼	446
44	Texas Energies		9¼[f]	9½	103
45	Transnet		3	4⅛	136
46	Floating Point Systems		17	29	171
47	Electromedics[O]		⅛	1¾	538
48	Nuclear Pharmacy		5½	7⅜	133
49	Sci Med Life Systems		8¼	9½	115
50	Prime Computer[N]	50% stock dividend, 4/4/80, 50% stock dividend, 12/19/80	12.4	26¼	216
51	Volunteer Capital		4½	6⅛	141
52	Nord Resources	10% stock dividend, 3/4/80	15.23	17½	115
53	Econo-Therm Energy Systems[O]		1¼	3⅛	250
54	Shopsmith		7½	10	133
55	Intermedics	3 2 split, 8/28/80	20¾	24⅞	120
56	Petroleum Equipment Tools		27	51¼	192
57	Commodore[A]		2¼	2⅝	117
58	Rolm[N]	2 1 split, 8/22/80	21	37¼	180
59	Data Terminal Systems[N]		27¼	13	47
60	Hurco Manufacturing[O]		7½	20	267
61	Acton[A]	5 4 split, 12/15/80	10.2	17½	172
62	Compact Video Systems		12⅛	19½	158
63	M.D.C.	20% stock dividend, 4/29/80	1.04	3⅞	373
64	Inter-Tel		12⅛[a]	21¼	174
65	Quality Care		7⅛	4⅞	67
66	Minnetonka	2 1 split, 8/22/80, 3 1 split, 2/12/81	2.27	13½	595
67	Petrominerals[P]		3	5¾	192
68	Team		15[g]	26¼	175
69	Staodynamics		2	4	200
70	Data Access Systems[A]	10% stock dividend, 1/19/81	10.57	14⅞	141
71	Chem-Nuclear Systems	3 2 split, 12/1/80	13½	31	230
72	Nucorp Energy		13¾	22⅝	165
73	Chuck Berris Productions		5¼	3	57
74	Health Extension Services	100% stock dividend, 9/15/80	2⅝	12½	476
75	Interface Mechanisms		7¼	17¼	236
76	Swanton	10% stock dividend, 6/2/80	14.55	22	151
77	Newport Pharmaceuticals		7½	12⅛	162
78	CGA Computer Associates	50% stock dividend, 11/28/80	2.67	12¼	478
79	Rampart General		2	1⅛	56
80	Mentor		4	5½	138
81	Ind'l Solid State Controls		14¼[c]	19½	132
82	Auto-Trol Technology		29¼	31½	108
83	Coradian	50% stock dividend, 9/5/80	10.67	10¼	96
84	Key Pharmaceuticals[A]	3 2 split, 10/3/80	10.42	26⅝	256
85	Seneca Oil		9	17⅞	199
86	Dyco Petroleum[N]	3 2 split, 11/26/80	13½	31	230
87	Chomerics	3 2 split, 6/20/80	19.33	15¼	79
88	Paradyne[A]	4 3 split, 3/26/80, 100% stock dividend, 11/26/80	11¼	33¼	278
89	Telecom Equipment		11½	20	174
90	Andersen 2000	2 1 split, 10/20/80	4½	17⅛	381
91	Petro-Lewis[A]	10% stock dividend, 3/14/80	17.73	24⅛	136
92	Kratos	50% stock dividend, 3/4/80	7	17¼	253
93	Adac Laboratories		10½	14¼	136
94	Flight Transportation	5% stock dividend, 9/19/80	4.05	6½	161
95	Matrix[A]	4 3 split, 4/25/80	19.22	33¼	273
96	Presidio Oil	5 4 split, 12/29/80	6.7	9¾	146
97	C3		32[d]	31¼	98
98	Kinder-Care Learning Centers	5 4 split, 12/30/80	8.8	15	171
99	Delhi International Oil[A]	3 2 split, 2/28/80	26¼	84¼	321
100	Wainoco Oil[A]		29¼	25¼	88

All stocks traded O-T-C unless otherwise noted. [N]New York Stock Exchange [A]American Stock Exchange [P]Pacific Stock Exchange [O]Non-NASDAQ O-T-C best available quote [a]First offered 2/81 [b]First offered 11/80 [c]First offered 1/81 [d]First offered 12/80 [e]First offered 3/80 [f]Common/warrant units first offered 12/80 [g]First offered 10/80 [h]First offered 7/80

BEST AVAILABLE COPY

NOTE

ONLY THE FOLLOWING PAGES OF THIS

PUBLICATION HAVE BEEN FILMED

Cover 1, p. 3, 16, 19, 37-

42, 126, 128, 132, 135.